

# **Exhibit 1**

The RAIC-DC, the Federal Bureau of Investigation-Washington, D.C., and the Internal Revenue Service-Alexandria, Virginia are investigating the suspected terrorism related money laundering activities and tax code violations of the SAFA GROUP. The SAFA GROUP is a name given to a group of individuals and organizations located predominantly in the area of Northern Virginia. The individuals operating the SAFA GROUP are mainly of Middle Eastern descent. They began establishing the Virginia-based organizations in the early 1980s. These organizations include for-profit businesses, charitable organizations and educational organizations. The SAFA GROUP has funded front organizations for HAMAS and the PALESTINIAN ISLAMIC JIHAD (PIJ).

On December 6, 2002, USCS Senior Special Agent David Kane and Group Supervisor Todd Nevins, FBI Special Agent Todd Price, Guardia Della Finanza Marshal Willy Arbus, Colonel Pier Luigi Mancuso and Captain Pagliara interviewed YOUSSEF NADA at his home in Campione D'Italia.

#### Details of Investigation:

On December 6, 2002, at approximately 1500 hrs., USCS Senior Special Agent David Kane and Group Supervisor Todd Nevins, FBI Special Agent Todd Price, Guardia della Finanza (Italy) Marshal Willy Arbus, Colonel Pier Luigi Mancuso and Captain Pagliara interviewed YOUSSEF NADA at his home in Campione D'Italia.

Special Agent Kane introduced himself and the others present for the interview. Mr. NADA invited the officers into his living room. NADA vented at the agent for approximately twenty minutes at the start of the interview. He related that he has been waiting for one year to see the evidence that the United States has regarding him and AL-TAQWA BANK. He stated that he was in no way associated with terrorism or any terrorist groups. NADA stated that he would be willing to answer the agents questions, if they showed him any evidence that they had in their possession regarding him or BANK AL-TAQWA (BAT). He reiterated this throughout the interview. Agent Kane explained that he wanted to ask NADA questions about his background. Agent Kane asked him if he was a member of the MUSLIM BROTHERHOOD (MB). Mr. NADA stated that he was.

NADA told agent Kane that he became involved with the MB in Egypt in the late 1940s. Agent Kane asked him if he knew Hassan Al-Banna. He stated that he did. NADA stated that Al-Banna founded the MB in Egypt in 1928. He related that Al-Banna was executed in the early 1950s for his involvement with the MB's resistance against the Egyptian regime. NADA told the agents that in 1952, he (NADA) briefly took up arms with the "student camps" and fought the British authorities. He stated that the British authorities were driven out by the armed nationalist movement in 1954. At that point, Nasser came to power. Agent Kane then asked if Nasser became the MBs greatest enemy from that point. NADA nodded his head in affirmation. He then explained that Nasser was a man who was not for a movement or an ideology, but rather that Nasser was only for himself, and that he made decisions and took actions based only upon keeping himself in power.

NADA then told the agents that he had already explained all of this information and more on Al-Jazeera television, and the agents should get a copy of his many interviews, especially the most recent interview. I explained that we had already received an overview of the interview, and that I needed to ask him questions that were not answered during the interviews on Al-Jazeera to further fill-in the blanks.

NADA related that he was being falsely persecuted. He related that the secret service of Switzerland had published a report on him that linked him to Aramco in Saudi Arabia, when in fact he had a relationship with a separate company of the same name in Europe. He related that the Swiss suspected the Saudi Arabian company of terrorist connections, so they believed that he (NADA) was associated with terrorism, when, in fact, it was a case of mistaken identity.

He related that he was associated with a MOHAMED DARWISH, who the Swiss suspected of terrorism. He related that the MOHAMED DARWISH that he knew was a friend from high school in Egypt, whom he had not seen since that time. He related that the only contact that he had with this individual since then was a transfer of \$10,000 to \$13,000 a few years ago that he sent to him to help his wife with medical

problems. He related that he believes that the MOHAMED DARWISH that the European authorities are interested in is a different man than the DARWISH that he knew in high school.

NADA stated that he met AHMED NASREDDIN in 1973. He stated that NASREDDIN was a good friend of his. He related that his wife's nephew was married to AHMED NASREDDIN'S son HASSAN. He stated that his wife's maiden name was JIAKLI, and that her family is from Syria. Her nephew's maiden name was also JIAKLI.

NADA related that his attorney was Mr. Wenderle from Bern. He changed to Wenderle after his previous attorney, Mr. Doninelli, disobeyed his wishes and began to speak to the media about him.

NADA related that he had worked fifteen-hour days his whole life and now he has been reduced to a pauper by President Bush's sanctions. He related that all of his telephone lines were being tapped.

NADA related that he had established BANK AL-TAQWA (BAT) in the late 1980's in the Bahamas. He told us that he opened the AL-TAQWA MANAGEMENT ORGANIZATION (ATMO) because he lived in Switzerland. He told us that he had strict regulations that he had to follow regarding ATMO, because it was not a bank in Switzerland. He related that ATMO performed management and service functions for BAT.

He related that ATMO would receive BAT money and place it in Swiss bank accounts. The money would usually come in the form of dollars and it would then be converted to Swiss Francs once in the BAT/ATMO accounts. NADA explained that the Swiss accounts had both dollar and franc sub-accounts within them.

NADA related that he received a college degree in agriculture in Vienna, Austria. He told us that he opened a dairy business in Austria after earning his degree. Thereafter, he moved to Libya, where he began lecturing at the "High School of Agriculture", he said. At the same time, he was importing processed cheese into Libya. He left Libya in 1979, after the coup d'etat of Mohammad Qaddafi, he said. He related that he continued to import into Libya after Qaddafi's coup, but he established new companies so that he would not arouse suspicion.

In 1979, he moved to Italy, he said. He related that in the early 1980s, Qaddafi sent hit squads to Italy to assassinate a group of merchants residing in Italy. One of the individuals on the list was assassinated, NADA related. He could not recall the individual's name. He related that one of the murderers of this individual was arrested by Italian authorities and a list of individuals to be assassinated was obtained.

NADA related that he was the third person on the list. NADA related that he believed that Qaddafi ordered the assassinations based upon information received from the Egyptian authorities. NADA related that MAHMOUD ABU SAUD, a close friend of his and a fellow Muslim Brother, was also on the list. Both NADA and SAUD resided in Libya at the same time. SAUD was also Egyptian. NADA stated that he is not related to SAUD.

NADA related that NADA INTERNATIONAL ANSTALT (NIA) was one of his corporations. He stated that its physical location was in Riyadh, Saudi Arabia. The directors of the company were GHALEB HIMMAT, HISHAM AL-TALIB, JAMAL BARZINJI, and MOHAMED SHAMMA. NADA also related that AHMAD TOTONJI was also involved in the day to day operations of NIA in Riyadh. NADA related that in the early 1980's, AL-TALIB, BARZINJI, TOTONJI and SHAMMA all moved to the United States to start independent organizations, and they left NIA.

When I asked NADA if these individuals were Muslim Brothers, NADA stated that they were not. NADA stated that BARZINJI and TOTONJI were from Iraq. He was not sure about AL-TALIB. NADA related that he incorporated NIA in 1974, and that TOTONJI, SHAMMA, AL-TALIB and BARZINJI became active with the company in roughly 1978.

NADA related that he knew TAHA JABER AL-ALWANI. He related that AL-ALWANI was an Iraqi national. He related that he first met AL-ALWANI when he lived in Riyadh. He related that AL-

ALWANI then moved to Egypt and earned a degree in theology. NADA related that AL-ALWANI taught Islamic studies in Saudi Arabia after earning his degree in Egypt. He stated that AL-ALWANI is now living in the United States and is running an Islamic theological school.

When asked if he believed HISHAM AL-TALIB or TAHA JABER AL-ALWANI to be at all affiliated with AL-QAEDA, NADA said that he knew AL-TALIB was not involved in it, because he was too peaceful of a man. He related that he could not answer with respect to AL-ALWANI, because he did not know him very well.

I then asked NADA if he knew ABDULHAMID ABUSULAYMAN. He related that he did and that ABUSULAYMAN was one of the most highly respected individuals in global Islamic community. He related that ABUSULAYMAN has absolutely no affiliation to terrorist organizations and that he is a peaceful man.

I then asked NADA if he was aware of the various organizations that were established by AL-TALIB, AL-ALWANI, TOTONJI and BARZINJI in the United States. He related that he knew that they set up organizations in the U.S., but was not very familiar with them. I then told NADA that I was going to name a few organizations that we refer to as the SAFA GROUP and that I would like to know if he was familiar with any of them. NADA interrupted me at that point, laughing, and told us that he had already answered this question for Mr. Nicati (Swiss Federal Prosecutor for the Swiss investigation of BANK AL-TAQWA) when Mr. Nicati telephoned him the previous Friday and conducted a telephonic interview. NADA related that Mr. Nicati kept asking him whether he was familiar with the company called the "SAFA GROUP". NADA related that he had told Mr. Nicati that he was not. NADA also related that he knew that I was going to ask him about BARZINJI, TOTONJI and AL-TALIB, as well, as that he has been recently questioned about them, as well.

I then explained to NADA that we refer to over 100 organizations located in both the U.S. and abroad when referring to the SAFA GROUP. I related that these organizations were established by BARZINJI, AL-TALIB, TOTONJI, ABUSULAYMAN and a few other individuals. I then asked NADA if he was familiar with SAFA TRUST, INC., MENA ESTATES, MAR-JAC POULTRY, the SAAR FOUNDATION or HUMANA CHARITABLE TRUST. He stated that he was not. I then asked NADA if he has or ever had a financial relationship with the individuals operating the SAFA GROUP since its establishment. He related that he does not and has never had one. I asked him if he had ever assisted this group financially in setting up their operations in the United States. He stated that he never did. NADA stated that he does not believe that these individuals are members of the MB. NADA related that he has visited 555 Grove Street, Herndon, Virginia in the past.

NADA stated that when he was originally setting up BAT, SAMIR SALAH and IBRAHIM HASSABALLA were both going to be co-directors. He related that he met these two individuals through BARZINJI, AL-TALIB and TOTONJI, after they were living in the United States. At first NADA stated that HASSABALLA and SALAH were recommended for BAT by TOTONJI, BARZINJI and AL-TALIB, he then stated that he met SALAH and HASSABALLA earlier through them and had selected them for BAT management on his own. He said that he thought better of it and decided not to make them directors. He related that he believed that they did not have the financial expertise to do the job. He stated that he remains a friend with both HASSABALLA and SALAH.

NADA stated that he was familiar with the INTERNATIONAL ISLAMIC CHARITABLE ORGANIZATION (IICO). He related that HASSABALLA was the director of the IICO in Kuwait and that he (NADA) and HIMMAT operated the Swiss branch. NADA related that the organization does strictly charitable work. He related that YOUSSEF AL-HUJI controls all disbursements and decisions, internationally, from Kuwait. He related that AL-HUJI is a government minister there.

NADA stated that he knows MOHAMMED AL-FAISAL from Saudi Arabia, personally. He said that he (NADA) traveled to Egypt on two occasions for AL-FAISAL, in order to assist in the establishment of the Faisal Bank there. NADA related that he traveled to Egypt in both 1977 and 1978, under a Tunisian passport. He related that Faisal Bank was established shortly after his second visit, and that the shares in



this bank were held 50% by the Egyptian government and 50% by Saudi Arabia. He stated that he provided approximately \$500,000 in start up capital and was the second largest investor after the Saudi Arabian Ministry of Awqaf.

NADA stated that he does not have any business relationship with any members of the AL-RAJHI family. He stated that he used to have money in an account at AL-RAJHI bank, but that it is currently empty. He stated that he does not know any members of the family personally. He also stated that he did not know any members of the BIN MAHFOUZ family.

When I asked NADA about how BAT's "mudaraba" accounts operated, he became visibly nervous, his hands began to shake, and he stated tersely, "Next question...next question!" I then asked him about how he/BAT invested the money on behalf of BAT's investors and account holders. He, visibly nervous, stated, "Next question...next question."

NADA related that BAT had been hurt financially by negative media publicity beginning in 1997, regarding its alleged ties to terrorism. He related that investors and account holders began withdrawing their deposits/investments at that point. Furthermore, he related, BAT lost significant money in its Southeast Asian investments in the late 1990's. He related that some investors lost money because of that.

I asked NADA again at the end of the interview if he had any financial relationship with the SAFA GROUP. He stated that he did not. I then asked him if he had ever received a loan from them. He then stated that he might have received a loan. I then asked him for how much and when. NADA then stated that he did not want to answer that question. I told him that we were very interested in knowing about that loan. After pressing NADA for a few minutes, he admitted to receiving a \$500,000 loan from MENA ESTATES. I asked NADA what type of business MENA ESTATES was. He did not want to answer that. I asked him what the loan was for. NADA stated that he paid some bills with it. I then asked him if any of the money came out of his account in cash. He stated that a little might have, as that he and HIMMAT sometimes pay cash for various minimal items and services.

I then asked NADA why over \$50,000 of that wire transfer came out in cash. At that point, NADA became visibly nervous and his hands began to shake. He did not answer the question. I then asked NADA where the other money went. He again said that it went to pay various bills. I asked him if he wire transferred any money to ARTHUR HANNA in the Bahamas. He became visibly more nervous. He stated that he did, as that Mr. HANNA provided services for BAT in the Bahamas. I then asked him if he was referring to business taxes and administration fees. He said, "Yes." I then asked NADA if he believed \$75,000 to be excessive for simple administration fees. NADA related again that HANNA performs various services for him. I asked him what exactly these services were. NADA then began to tremble and stutter, and his left foot began to bounce up and down off the floor. He then shouted, "Next question...next question". He then told me that if I had any evidence of his guilt that I should show it to him.

At that point, I showed NADA a copy of a letter found during the search warrant of 555 Grove Street, Herndon, Virginia on March 20, 2002. The letter is handwritten and is believed to have been written by Nada in August 2001, based on handwriting comparisons. NADA became visibly nervous and asked to read the letter. I handed him the copy. He read it and stated that there seemed to be some accurate information in it, but that it was not his handwriting and that he could not understand a great deal of what it was referring to. I then asked him if it referred to the loan he received from MENA ESTATES. He asked to see the letter again, read it over, and said that it probably was referring to the loan.

I then asked him why he, in reference to the loan, would state that the "eggs are in several baskets"? He became nervous, and related that it was simply a business expression that he uses. He again stated that he did not know who wrote the note.

NADA related to us that he is currently being blackmailed by certain individuals concerning the activities of BAT and the investigation into the bank. He would not disclose who was blackmailing him.

NADA told the agents that he still owned property in the United States, but would not reveal what properties. He would not tell the agents how he was currently paying for his bills for his home in Lugano.

He related that he had been at the U.S. Consulate in Milan a few years back in order to obtain a visa to travel to the U.S. He related that he had called the Consulate in advance to set up a meeting and that when he arrived at the Consulate he was told to go to the end of the line at the front door. He told us that he refused to go in line. He told us that he told the U.S. officials that, "NADA does not stand in line with the peasants." He told us that he left at that point.

Agent Nevins told NADA that he would like some clarification on how BAT operated. At that point, NADA told us that if we had any evidence to show that he was guilty, he would like to see it and would then answer any questions. The interview was terminated at that point [1730 hrs.].

At the conclusion of the interview, NADA told us that GHALEB HIMMAT was waiting at his house in Lugano, if we wanted to speak with him, as well. I told NADA that we would like to speak with HIMMAT, but on some other date. NADA stated during the interview that he did not know MOUSA ABU MARZOOK, SAMI AL-ARIAN, RAMADAN ABDALLAH SHALLAH, FATHI SHIKAKI or KHALIL SHIKAKI.

[It should be noted that after the search warrants of 555 Grove Street on March 20, 2002 an envelope was found addressed to FAKRI BARZINJI at INTERNATIONAL GRAPHICS, with Attention Abdulhamid Abusulayman written on it. The envelope contained numerous documents referring to the \$500,000 loan that MENA ESTATES had given to YOUSSEF NADA in February 2001 and the extension of the payment due date. Also included in the envelope was a note that is believed to be in NADA'S handwriting, based on handwriting comparisons. This note was very cryptic in nature. It was written in Arabic. It started out with the phrase, "The eggs are in several baskets." It went on to describe someone's health. Among other things, it referred to an investigation of the BAT and stated, "to avoid crimes, we have to perfect information (terrorism, money laundering)". This document is being submitted to a translator to be translated in its entirety.

Another note written in Arabic and found at 500 Grove Street dating from 1982, refers to NADA offering to pay \$1 ¼ to \$1 ½ million for the purchase of a building for the INSTITUTE (believed to be the INTERNATIONAL INSTITUTE OF ISLAMIC THOUGHT, IIT). It also refers to NADA's offer to provide rent-free use of this building to the same for the extended future. The document also refers to NADA'S offer to pay the rent of two to three full-time employees for the extended future. It seems that the note was generated from someone speaking directly with NADA. This note is currently being translated in its entirety.]

The RAIC-DC, the Internal Revenue Service-Alexandria, Virginia and the Federal Bureau of Investigation-Washington, D.C. are investigating the suspected terrorism-related money laundering activities of the SAFA GROUP. The SAFA GROUP is the name given to a group of individuals of Middle Eastern descent living predominantly in the area of Northern Virginia, and the over 100 organizations that they control and have controlled. The SAFA GROUP has established these organizations predominantly in the area of Northern Virginia. The organizations they have established are charitable organizations, for-profit businesses and educational organizations. Over the course of the investigation, it has been discovered that the SAFA GROUP has been providing large amounts of money to fronts for the HAMAS and the PALESTINIAN ISLAMIC JIHAD (PIJ), both of whom are Specially Designated Global Terrorist organizations (SDGTs) as per OFAC designation.

On December 9, 2002, Senior Special Agent David Kane and Group Supervisor Todd Nevins (USCS), Special Agent Todd Price (FBI), and Maresciallo Willy Arbus, Captain Antonio Pagliara, and Colonel Pier Luigi Mancuso with the Italian Guardia della Finanza interviewed AHMED NASREDDIN and his son, Hassan, at their home in Tangier, Morocco.

#### Details of Investigation:

On December 9, 2002, at approximately 1015 hrs., Senior Special Agent David Kane and Group Supervisor Todd Nevins (USCS), Special Agent Todd Price (FBI), and Maresciallo Willy Arbus, Captain Antonio Pagliara, and Colonel Pier Luigi Mancuso with the Italian Guardia della Finanza interviewed AHMED NASREDDIN and his son, Hassan, at their home in Tangier, Morocco.

NASREDDIN related that he was very happy to have received my phone call because he has been trying, to no avail, to meet with someone with the U.S. government to discuss his terrorist designation. He explained to us that he has sent letters to the White House, the Secretary of State and to the U.S. Treasury Department concerning his designation. He related that he was unable to arrange a meeting with anyone, however. He gave me a copy of the letters that he sent.

AHMED NASREDDIN told us that he had been living in Italy for approximately 45 years now. He related that his family had a long history with Italy. He related that his father fought for the Italians when Eritrea was an Italian colony. He and his family were Ethiopian. He related that his family left Ethiopia when the communists took over in 1975. He told us that his family had their businesses nationalized and lost significant wealth when the coup took place.

NASREDDIN told us that he was a very public figure in Italy. He stated that he was the Kuwaiti Ambassador to Italy and the head of the GULF CHAMBER in Italy. The GULF CHAMBER is an organization that promotes trade and investment between Italy and the Middle East.

NASREDDIN related that he has known YOUSSEF NADA for over 30 years and that he is a close personal friend of his. He stated that his son, HASSAN, was married to a cousin of NADA'S wife, AMAL. He stated that the maiden name of Mrs. Nada was (AMAL) JIAKLI. He stated that the maiden name of HASSAN'S wife was FATINA JIAKLI. He related that the JIAKLI'S come from Syria.

NASREDDIN related that he was on the advisory council of BANK AL-TAQWA (BAT), along with YOUSSEF NADA, GHALEB HIMMAT, MANNA AL-QATTAN, ZAGHLOUL EL-NAGGAR and AHMED HELMI ABDUL MAGID.

NASREDDIN related that all of these individuals, including NADA, are members of the MUSLIM BROTHERHOOD (MB), with the exception of AL-QATTAN, who recently passed away (was member of MB). NASREDDIN related that HIMMAT was Syrian, but all of the others were Egyptian by origin. He related that EL-NAGGAR, in addition to his role at BAT, was also a prominent lecturer on Islamic issues, worldwide.



NASREDDIN related that ABDUL MAGID was a consultant and director for BAT and was also a current director of Faisal Finance in Egypt. NASREDDIN added that another employee of BAT, AHMED HUBER, has turned out to be a liability to both NADA and BAT. He related that HUBER is, in his opinion, psychologically unstable and that his extremist public commentary has hurt public opinion of NADA and BAT.

NASREDDIN told the agents that BAT has had a great deal of media coverage regarding alleged money movements to terrorist groups, but no one or any government has been able to specify what, if any, money has gone to terrorist groups. He related that the allegations have been made by journalists, and added that they do not have any specific transactions that they can identify.

NASREDDIN related that he hired his law firm, Freshfield (London), to investigate these alleged terrorist ties to BAT. He stated that his lawyer, Paul Leonard, approached the various governments in Brussels and Washington, D.C., but no one could speak to him about the matter.

When I asked NASREDDIN how BAT functioned internally, he related that he did not know the inner workings of the bank. He told us that he was asked by NADA if he could serve as a director along with the others, and he did. He related that this must have been in the late 1980s. He said that he had a heart attack in 1991 which required him to have quintuple bypass surgery and from that point on he needed much more rest and cut back on his work load, spending much more time at home. He related that even prior to that, he never had a big role at BAT. The only thing he did was attend board meetings occasionally.

When I asked him how the money was invested at BAT, NASREDDIN stated that he had no idea. He related that only two people were involved in the investment of the investors and depositors funds at BAT, NADA and ARTHUR HANNA. He related that HANNA was an ex-minister of parliament in the Bahamas and a former business partner of his. NASREDDIN stated that he originally introduced NADA to HANNA so NADA could establish BAT. NASREDDIN related that he had been doing business with HANNA since roughly 1975, as that NASREDDIN incorporated the IKSIR BANK, and subsequently the AKIDA BANK, in the Bahamas. He related that HANNA was in charge of incorporation, tax filings and other administrative matters. NASREDDIN related that he would pay HANNA approximately \$65,000 to \$70,000 a year for his services.

NASREDDIN told us that there were various advertisements put out by BAT in Islamic publications. The advertisements explained that BAT was an Islamic bank that followed the "sharia" code (religious code) and that it did not pay interest on investments and deposits, as required by Islamic doctrine. These advertisements would also list NADA and HANNA as contacts for investing and opening accounts. NASREDDIN related that usually the investors' and depositors' would be put in touch with HANNA in the Bahamas. He believed that most of the money that was deposited/invested in BAT would be sent to HANNA, and from there, he and NADA would coordinate the further disposition of the money.

NASREDDIN told the agents that there was also a "sharia" or "fiqh" council for BAT. This council consisted of YOUSSEF QARADAWI, ABDUL SATTAR ABU GHUDDAH, and ALI MOHYDIN AL-QARADAGHI. NASREDDIN related that all of these individuals were members of the MUSLIM BROTHERHOOD. He also acknowledged that QARADAWI had extremist opinions, although he did not know him very well. He added that QARADAWI speaks openly, whereas the other two do not. He told us that QARADAWI supports "jihad" and HAMAS.

NASREDDIN stated that QARADAGHI was an Iraqi Kurd, QARADAWI was Egyptian and ABU GHUDDAH was Syrian.

NASREDDIN related that he did not think that the MUSLIM BROTHERHOOD supported national/Islamic liberation movements. He stated that he did not think that the MB had the money to do this.

NASREDDIN told us that he did not believe that NADA or HIMMAT supported any terrorist groups or national liberation movements. He believed that NADA was more of a diplomat/peace envoy. He related



that NADA had been the mediator of many conflicts in the Middle East. He told us that at one point during the West's embargo of Iran in the 1980s, NADA/BAT were negotiating with Iran's Ministry of the Exterior (Foreign Affairs) in order to provide the financing for the importation of a large amount of steel into Iran. But he related that this deal fell through, to the best of his knowledge.

He told us that he did not believe that NADA, HIMMAT/BAT had ever financed the movement of arms. NASREDDIN related that he had no other business relationship with NADA beyond BAT. He told us that he did assist NADA in purchases in South Africa years ago, as that they both had businesses there. NASREDDIN related that NADA was like a brother to him, but he preferred not to have business relationships with him. He related that NADA was nit-picky when it came to business, to the point that he would double-check everything that HIMMAT did at BAT, even though certain things were the responsibility of HIMMAT.

NASREDDIN related that he knew JAMAL BARZINJI, HISHAM AL-TALIB, MOHAMED SHAMMA and AHMAD TOTONJI. He related that they used to work with NADA at the NADA INTERNATIONAL ANSTALT (NIA) in Riyadh, Saudi Arabia. He said that NIA was a construction and cement business. He told us that NADA and these individuals had a falling out in the early 1980s, concerning approximately \$600,000 of NADA'S money. NASREDDIN related that NADA was on the verge of suing them concerning what NADA believed was illegal personal use of NIA'S assets. According to NASREDDIN, AL-TALIB, BARZINJI, and TOTONJI claimed that they rightfully took this money as their compensation.

NASREDDIN told us that he and AHMED EL-KADI acted as mediators in this dispute and unsuccessfully tried to resolve the situation. NASREDDIN said that at the final point, he personally approached all the individuals, "unofficially", and offered to pay the disputed sum back to NADA if they would make peace with one another. No one accepted his offer. NASREDDIN told us that what exacerbated matters even more was that TOTONJI, BARZINJI and AL-TALIB, at roughly the same time, had secretly agreed with SULAIMAN ABDUL AZIZ AL-RAJHI, to leave NIA and go to the United States to open the SAAR FOUNDATION for the latter, as well as some other companies. NASREDDIN related that NADA became even angrier when he found this out.

NASREDDIN related that the relationship between NADA and the others terminated at this point. NASREDDIN stated that there was no longer a financial relationship between the two groups from this point onward. The only other contact that he knew of between the two groups was in late 2000, when he received a phone call from JAMAL BARZINJI. According to NASREDDIN, during the phone this conversation, BARZINJI wanted to know if NASREDDIN knew if NADA still wanted the approximately \$300,000 loan from BARZINJI'S group. NASREDDIN told BARZINJI that he knew nothing of the loan. NASREDDIN told us that he speculated that NADA needed the money due to the run on BAT, precipitated by the loss on BAT investments in Asia and the negative press, both occurring in the late 1990s.

NASREDDIN said that he originally met BARZINJI and ABDUL HAMID ABUSULAYMAN in Malaysia through ANWAR IBRAHIM. IBRAHIM knew that NASREDDIN had businesses in Nigeria, and put him in touch with some Malaysian businessmen who wanted to open palm oil businesses in Nigeria, including a YAYA DATTO (phonetic), who is now deceased. BARZINJI and ABUSULAYMAN were the head of publications and the president, respectively, of the International Islamic University of Malaysia. NASREDDIN related that he believed that both were Muslim Brothers.

NASREDDIN told us that he knew YAQUB MIRZA and MOHAMED ASHRAF, as well. He related that he knew that they were involved with the SAAR FOUNDATION. Both AHMED and HASSAN NASREDDIN recalled MIRZA sending them a prospectus for the STERLING MANAGEMENT GROUP in 2000. AHMED NASREDDIN related that they (MIRZA, BARZINJI, etc.) were trying to solicit investments for their new company, but he did not invest any money. At one point, NASREDDIN and his son Hassan related, they were going to meet with MIRZA in Europe regarding SMG, but this meeting never took place. NASREDDIN knew MIRZA to be the financial advisor for the SAAR FOUNDATION. He was the controller of finances for SAAR'S ice cream factory in Turkey and its juice company in Chile, he said.

NASREDDIN related that he knew TAHA JABER AL-ALWANI. He related that AL-ALWANI was a scholar and that he ran an Islamic educational organization in the U.S. He added that AL-ALWANI was an Iraqi Kurd and that he was opposed to the rule of SADDAM HUSSEIN. NASREDDIN stated that AL-ALWANI was a well respected Islamic scholar, and that he has published many Islamic books.

NASREDDIN related that he knew that TOTONJI and AL-TALIB were directors of the SAAR FOUNDATION, which was funded by the money of SULEIMAN ABDUL AZIZ AL-RAJHI. NASREDDIN knew that the SAAR FOUNDATION had invested in poultry businesses in the United States. He had never heard of MAR-JAC POULTRY. He was astonished to find out from me that MAR-JAC was the fifth largest poultry producer in the United States, with yearly profits of \$118 million.

NASREDDIN related that TOTONJI'S relationship with AL-RAJHI goes back many years. He related that TOTONJI was a financial consultant for AL-RAJHI at the AL-RAJHI BANK in Saudi Arabia.

NASREDDIN told us that he knew ABDULRAHMAN ALAMOUDI quite well and that he has known him for about thirty years. He told us that when his son OMAR went to the U.S. in 1980 to study in Chicago, he contacted ALAMOUDI in Washington, D.C. and ALAMOUDI made sure that he was well taken care of. NASREDDIN related that ALAMOUDI came from a very big and wealthy family that came from both Yemen and Ethiopia, but lived primarily in Saudi Arabia. He related that ABDULRAHMAN'S father had established many businesses in Ethiopia and became quite wealthy.

NASREDDIN told me that he knew IBRAHIM HASSABALLA very well. As a matter of fact, NASREDDIN received a phone call from HASSABALLA wishing him a happy holiday in the middle of the interview. NASREDDIN told us that HASSABALLA established the INTERNATIONAL ISLAMIC CHARITABLE ORGANIZATION (IICO) in approximately 1986 with GHALEB HIMMAT. NASREDDIN related that the IICO was an Islamic charitable foundation that worked in many countries worldwide, including Nigeria. The IICO worked with the Ahmed Lemo Foundation, according to NASREDDIN in Nigeria, according to NASREDDIN.

NASREDDIN related that he knew AHMED EL-KADI quite well. He related that EL-KADI was Egyptian and a member of the MUSLIM BROTHERHOOD. He told us that EL-KADI operates a pharmaceutical company in Dubai by the name of BIOPHARM. NASREDDIN also related that EL-KADI used to live in Florida, where he was a practicing surgeon. NASREDDIN related that EL-KADI was the subject of a malpractice lawsuit in Florida about ten years ago, which he won. NASREDDIN told us that he had never heard of OSAMA KANDIL.

Of the SAFA GROUP entities that I named to him, NASREDDIN was only familiar with the SAAR FOUNDATION, AMANA MUTUAL FUNDS, STERLING MANAGEMENT GROUP, the GRADUATE SCHOOL FOR ISLAMIC SOCIAL SCIENCES (GSISS) and the INTERNATIONAL INSTITUTE OF ISLAMIC THOUGHT (IIIT). He related that he only knew these organizations to be operated by the previously mentioned individuals, but did not know of the business scope.

NASREDDIN related that he had never heard of SAMI AL-ARIAN, RAMADAN ABDALLAH SHALLAH, or MOUSSA ABU MARZOUK. He asked me who they were and I told him that AL-ARIAN and SHALLAH were high-ranking members of the PALESTINIAN ISLAMIC JIHAD (PIJ) and that MARZOUK was the head of HAMAS. I explained to NASREDDIN that the SAFA GROUP was involved in the financing of front organizations for these two terrorist groups. NASREDDIN seemed to be very surprised and perplexed by this information.

NASREDDIN told the agents that he established both the IKSIR BANK and the AKIDA BANK because people of the Islamic faith have certain regulations concerning banking, such as not being allowed to charge interest on deposits. He related that there are very few main stream banks that offer Islamic banking services. He also related that he incorporated his banks in the Bahamas so that he could both maintain

control over his money and minimize the risk of having his money lost due to possible nationalization programs.

NASREDDIN related that AKIDA BANK had provided financing for development projects in Turkey along with the International Finance Corporation (IFC) of the World Bank. He related that the overall investment in the project was \$16 million, with NASREDDIN GROUP INTERNATIONAL (NGI) providing 75% and the IFC providing 25%. He related that this project turned out to be a failure because the Turkish currency became greatly devalued after the initial investment in 1988. He ended up writing-off the investment as a business loss.

NASREDDIN related that the precursor to the AKIDA BANK was IKSIR BANK, which was incorporated in the Bahamas in 1975. He related that IKSIR'S capital was transferred into the newly created AKIDA BANK in the early 1980s. He related that AKIDA was also incorporated in the Bahamas and that ARTHUR HANNA acted as his agent for this bank.

He related that he capitalized IKSIR BANK in 1975 with \$5 million. He said that he established the bank originally to finance exports to Kuwait.

NASREDDIN told us that he was involved in the establishment of the GULF CHAMBER in Italy in 1978. The GULF CHAMBER was established to promote trade between Italy and the Middle East. He related that he provided 50,000 to 60,000 Lira to establish the organization. The GULF CHAMBER evolved into the M.I.G.A. Group (Malaysia Italy Gulf Asia Group), which was the same type of organization but covered a larger geographic area. He related that two other individuals who were very involved with him at the GULF CHAMBER were KARIM HAJJ from Lebanon and WAJJI YOUSSEF from Egypt. Both are deceased, according to NASREDDIN.

NASREDDIN related that he established NASCOTEX in Morocco. He stated that NASCOTEX is a textile company. He stated that he has different companies in Turkey, Morocco and Nigeria.

NASREDDIN said that he knew KHALID BIN MAHFOUZ. He related that he, BIN MAHFOUZ, SULEIMAN ABDUL AZIZ AL-RAJHI, Mr. Esahi, Mr. El-Sayed and the Real Estate Bank of Kuwait had entered into a business agreement in the early 1980s to develop commercial land in Nigeria. Due to the collapse of the price of oil and its effect on the Saudi Arabian economy, these individuals backed out of the deal and NASREDDIN began legal proceedings against them in Nigeria, because he had already purchased the property where the development was to take place. The issue was ultimately decided outside of the courts and NASREDDIN recuperated a portion of his investment from the above-mentioned individuals.

NASREDDIN told us that he owns the building on Via Jenner in Milan, Italy where the Islamic Center of Italy (ICI) is located. He pays the bills for the mosque located in the building. He related that the former Imam at the mosque, ANWAR SHAABAN, went to fight in the Bosnian war against the Serbs and was killed. He related that in either 1994 or 1995, 120 individuals were arrested in the U.S., Italy and Egypt for terrorism based on information provided by the Egyptian police. One of these individuals was SAAD ABU IBRAHIM, who worked at the ICI. He was released from prison six months later and was fired by NASREDDIN. NASREDDIN related that IBRAHIM died approximately 2 to 3 years ago.

NASREDDIN explained that he knew MOHAMMED DARWISH. He stated that DARWISH was a Canadian national and was a good friend of SAAD ABU IBRAHIM, before IBRAHIM passed away. NASREDDIN related that DARWISH came to him 4 years ago and requested his assistance to work in Nigeria. NASREDDIN explained that DARWISH wanted to establish a packaged meat company to export to Holland. NASREDDIN put him in touch with a family member in Nigeria and DARWISH showed up with his whole family and penniless. NASREDDIN financially supported him for a while, until he saw that DARWISH was spending all of the money he was giving him on a hopeless business endeavor. He stopped financing DARWISH at that point and told him to leave. DARWISH came back 4 months later and asked for more money, which NASREDDIN refused. At this point DARWISH accused NASREDDIN of being inhumane and denounced him to the imam of Lugano, Switzerland. NASREDDIN related that he believes



that DARWISH is mentally unstable. He told us that DARWISH is married to an Algerian woman and has three children. He believes that DARWISH is living in Italy. He believes that DARWISH is no longer allowed to enter Canada, for whatever reason.

NASREDDIN told us that his brother SALEH operates his businesses in Turkey. He also related that his brother ABDURAHIM used to live in Atlanta, Georgia and operated an export business called GALAXY BEAUTY PRODUCTS. He related that ABDURAHIM has since moved out of the United States and is currently living in Asmara, Ethiopia.

NASREDDIN related that YOUSSEF NADA'S brother, SAMI, used to live in Florida. He is uncertain if he still lives there. He related that SAMI is a difficult person to deal with because he is unreliable. He said that SAMI used to work with YOUSSEF at BAT, but they had a falling out and they are no longer on speaking terms.

NASREDDIN related that he believes that his and NADA'S phones are being tapped. I asked him why he thought that and he said that he, NADA and AL-TAQWA have been under the microscope of authorities for many years now. He related that it is very awkward for his family to have to be very careful with what they say to one another, in fear of having their words misconstrued.

NASREDDIN asked me if I knew why he had been designated. I told him that those decisions were made on a higher level and that I could not comment on it. He then asked if he was being designated for being associated with BAT, why were the other three directors not currently designated and why was the SAFA GROUP not designated? I told him that I could not answer that.

NASREDDIN related that he had established AMANAH HOLDINGS in Panama as a holding company for the family's businesses. He related that he originally set it up in the Bahamas, but moved it to Panama. It is currently incorporated on paper but not being utilized. He related that he used to have a company called AKIDA INVESTMENTS in Switzerland that conducted commodities trading.

NASREDDIN related that he had never had any business relationship with or accounts at the BANK OF CREDIT and COMMERCE INTERNATIONAL (BCCI).

The interview ended at approximately 1530 hrs. The entire interview was conducted in Italian.

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